

**China Price Monitor HDPE Pricing**  
**November 11, 2008**  
**(Pricing for November 7 2008)**

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Comparison of Domestic vs Import Prices as CNY/tonne										
	Transaction Prices for Domestic Resin including VAT <i>(from pg 4)</i>					Transaction Prices for Imported Resin CFR or CIF CMP including VAT & import duty <i>(from pg 7, converted to CNY)</i>				
	This Week		Next Week Forecast		Change	This Week		Next Week Forecast		Change
	Low	High	Low	High		Low	High	Low	High	
HDPE BM	7690	12000	7300	11600	-390	5682	6533	5427	6533	-255
HDPE Film	8000	14700	7700	14300	-300	6533	6958	6107	6788	-426
HDPE Injection	6600	8450	6350	8100	-250	5256	5937	5256	5682	0
HDPE Yarn	7300	8840	7100	8500	-200	5682	6533	5512	6278	-170
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- The PE market continued to fall but the rate of decline slowed with increasing inquiries.
- Crude oil prices fluctuated in the range of \$60-70/bbl and players held a negative outlook after the US Presidential Election. As a result, a clear PE market trend could not be anticipated now.
- Transactions between foreign suppliers and importers increased this week with traded prices seemed to bottom at \$600-650/tonne. Cargoes from India, Singapore and Middle East were being moved. Producers in Taiwan, Korea and Southeast Asia still cut production to firm offers.
- Domestic petrochemical producers promised to give discounts to clients who finished sales task well, but the support was limited.
- Traders held different views on whether the market would touch bottom in November. PE contract prices for January 2009 rebounded vigorously, supporting some players' positive outlook. But most of them believed that the Chinese market would remain on a losing streak in the short term.



down its 80 kt/yr Line C of HDPE unit during 20-26 October due to lack of ethylene, Daqing shut the unit again on 3 November for maintenance. Daqing shut down its 65 kt/yr old LDPE unit from 27 October to 3 November for maintenance.

- Guangzhou PC shut down its 100 kt/yr Line 1 of LLDPE unit during 5-7 October caused by turnaround at upstream cracker.
- TUCC shut down its 120 kt/yr LLDPE unit from 28 September to 25 November for maintenance.
- Panjin Ethylene shut down its 70 kt/yr during 26 September – 5 October due to unexpected accidents.
- Maoming PC shut down its 350 kt/yr HDPE unit due to unexpected accidents during 11-18 October and shut down the unit during 29-30 October for maintenance. Maoming shut down its 250 kt/yr new LDPE unit during 10-12 October and during 26-29 October for maintenance. Maoming shut down its 120 kt/yr old LDPE unit for maintenance during 22-27 October. Maoming planned to shut down its 200 kt/yr LLDPE unit during 30 October - 4 November for maintenance.
- Yanshan PC shut down its 60 kt/yr Line 3 of old LDPE during 14-17 October for maintenance and shut its 60 kt/yr Line 1 of old LDPE unit on 27 October for maintenance. Yanshan shut down its 200 kt/yr new LDPE unit on 3 November on weak demand.
- Qilu PC shut down its 140 kt/yr LLDPE unit during 21-22 October for maintenance.
- Shanghai Golden Phillips PC planned to shut down its 150 kt/yr HDPE during 26 October - 4 November for maintenance.
- Shanghai PC shut down its 250 kt/yr HDPE unit on 4 November due to poor downstream demand. Shanghai PC planned to shut down its 90 kt/yr No.1 Line of LDPE unit from 31 October to 30 November due to weak demand.